



USDA BROILER MARKET NEWS REPORT

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NATIONAL BROILER MARKET AT-A-GLANCE



Majority prices were higher in all areas when compared to previous week. Trade sentiment was fully steady to firm. Retail and food service demand was light to moderate, best for ads and promotions. Supplies of all sizes were close balanced to tight and held with confidence. In the parts structure, trading was moderate to active. Wings were short to balanced and moving, breast items were barely adequate to tight and clearing, and dark meat was sufficient. In production areas, live supplies were moderate at weights in a full range.

Final report of prices negotiated for trucklot sales of ready-to-cook broiler/fryers delivered to first receivers at major market areas week of 1/19/04-01/23/04 (cents per lb)

| AREAS | US GRADE A (Includes branded product) | | COMPOSITE | |
|-------------------------------------|---|------------|-----------|------------|
| | MAJORITY | WTD AVG | LOADS | WTD AVG |
| Delivered to First Receivers | | | | |
| Bos/New Eng | 75.00-76.00 | 75.25 | 16 | 67.59 |
| Chicago | 65.00-68.00 | 68.57 | 37 | 70.13 |
| Ohio Cities | TFEWR | — | — | 70.21 |
| Denver | 74.50 | 74.50 | 14 | 74.69 |
| Detroit | 66.00-69.00 | 68.46 | 13 | 70.07 |
| Los Angeles | 75.00 | 74.45 | 67 | 71.20 |
| New York | 71.00-74.00 | 72.26 | 23 | 68.33 |
| Philadelphia | 71.00-73.00 | 71.73 | 11 | 69.48 |
| Pittsburgh | 72.00-74.00 | 72.50 | 12 | 70.69 |
| St. Louis | 68.00 | 67.69 | 24 | 66.08 |
| San Francisco | 75.50 | 75.79 | 34 | 71.51 |
| Composite Weighted Average | | | | |
| Loads | 01/19/04 Change/Last Wk 01/12/04 01/20/03 | | | |
| 710 | 69.79 | 2.09 | 67.70 | 60.05 |

WOG BROILERS (without giblets) - prices paid per lb delv'd to first receivers in trucklot and less than trucklot quantities.

| REGIONS | MAJORITY | WTD AV | LOADS |
|---|-------------|--------|-------|
| East | 70.00-73.00 | 72.31 | 34 |
| Central | 66.00-74.00 | 72.06 | 66 |
| West | 66.00-73.00 | 70.09 | 37 |
| Southeast Area FOB Dock Equivalent | | | |
| Mississippi | 69.00-71.00 | 69.57 | 81 |

GEORGIA F.O.B. DOCK PRICES Georgia f.o.b. dock quoted price on broilers/fryers for this week's trading is 69.50 cents based on ice-packed USDA grade "A" sized 2 1/2 to 3 pound birds.

| LOADS | RANGE | MONDAY FINAL WTD AVG FOB DOCK OR EQUIVALENT |
|-------|-------------|--|
| 978 | 64.74-73.00 | 69.02 |

The Georgia f.o.b. dock confirmed final weighted average prices on ice packed parts:

| ITEM | WTD AVG (CENTS PER POUND) | VOLUME (000 POU) |
|------------------|------------------------------|---------------------|
| LINE RUN TENDERS | 202.00 | 1,383 |
| BREASTS - B/S | 175.00 | 5,497 |
| BREASTS - WHOLE | 92.50 | 1,595 |
| THIGH MEAT - B/S | 94.00 | 1,044 |
| LEG QUARTERS | 32.50 | 8,152 |
| WINGS | 112.50 | 2,918 |

THIS INFORMATION IS SUPPLIED BY THE GEORGIA DEPARTMENT OF AGRICULTURE'S POULTRY MARKET NEWS SERVICE.

NORTHEAST REGION BROILER/FRYER Trucklot buying activity on ready-to-cook whole broiler/fryers was moderate entering the week. Offerings were generally in good balance and were clearing with premiums noted. Retail and distributive movement was fair. The market tone was fully steady to firm. In the parts complex, bone-in breasts were in close balance to short. Leg items were about adequate. Wings were sufficient.

SOUTHERN REGION BROILER/FRYERS Trade sentiment was firm. Demand was moderate to good, best into fast food promotions and retail ads. Supplies of all sizes were close balanced to short of full trade needs. In the parts structure, trading was active. Wings and breast items were well cleared to tight and moving at higher levels, and dark meat was no more than adequate. In production areas, live supplies were fair to moderate. Weights were desirable to light, mostly desirable.

WESTERN REGION BROILER/FRYERS The final majority prices were 1 cent higher than last reported, throughout the region. Offerings were in close balance to adequate. Buying activity fairly good overall best for California grown product. Retailer demand was fairly good to good, with improvement noted for bagged product to cover planned ads. Dealers reported moderate to good weekend clearance. The market tone was firm on parts. Trading reported on parts for this week's delivery: leg quarters bulk 30.5-33.5 and 4/10s 33.5-39, breast bone-in 92-97 and boneless 157-160, wings 120-122. The Los Angeles negotiated WOG weighted average was up 2.73 to 66.52 with the volume reported down 3 percent to 28 loads.

MIDWEST REGION BROILER/FRYER Final majority prices were up 4 to 5 cents; Ohio cities TFEWR. The market tone on whole broilers continued fully steady to firm. Offerings were light with adequate trade interest. Movement into all channels was light to moderate and tapering somewhat. Floor stocks were in a full range with fill-in among regional distributors more frequent. Weights were desirable. Parts trade was fairly good on wings, moderate to good on boneless/skinless breasts, and fair on remaining parts. Supplies of wings were short to in close balance, all other items were barely adequate to adequate. The market tone was fully steady to firm on all parts.

DELMARVA BROILER/FRYERS Movement of ready-to-cook whole birds remained active and continued to keep seller offerings in good balance to well cleared. Live supplies were moderate; weights varied in a full range of light to heavy. Processor schedules were moderate to moderately heavy. Less than trucklot asking prices were 2 cents higher at 74 to 84 cents. Trade sentiment was fully steady to firm. In the parts complex, inquiry for wings was a bit less active and supplies were usually adequate. Breast items, particularly bone-in breasts were barely adequate to short. Leg cuts were about adequate and where available held with confidence.

ACTUAL SLAUGHTER WEEK ENDING 01/17/2004 WAS 11,269,841 @ 5.42 LBS.

*BROILER/FRYER CURRENT NEGOTIATED PRICES FOR IMMEDIATE DELIVERY INCLUDES MOSTLY MULTIPLE-DROP SHIPMENTS OF BRANDED AND WING TAGGED TO NEW YORK CITY FROM DELMARVA.

| BRANDED U.S. GRADE A | |
|----------------------|-------|
| RANGE | 61-86 |
| WEIGHTED AVERAGE | 74.43 |
| NO. OF BOXES | 8,466 |

*7 of 7 plants reporting.

NORTHEAST BROILER/FRYER PARTS Trucklot buying activity was mostly moderate following the holiday weekend. Offerings of breast items were in close balance to tight. Wings were in good balance. Leg quarters, drums and thighs were sufficient. Movement through retail channels was fair to moderate, best where scattered features were noted. Food service and distributive movement was fair. The market tone was fully steady to firm on breast items; fully steady on the balance.

ICE PACKED BROILER/FRYER PARTS, DELIVERED TO FIRST RECEIVERS IN POOL TRUCKLOT AND TRUCKLOT QUANTITIES, CENTS PER POUND

| ITEM | CURRENT NEGOTIATED TRADING | WTD AVG | VOLUME /LBS |
|----------------------------|-------------------------------|------------|----------------|
| BREAST - B/S | 170 | 156.83 | 717,360 |
| TENDERLOINS | 155 | 149.48 | 176,640 |
| BREAST - WITH RIBS | 88-89 | 92.17 | 198,120 |
| BREAST - LINE RUN | 88 | 91.69 | 126,800 |
| LEGS | 41-42 | 39.37 | 303,800 |
| LEG QUARTERS (BULK) | 30-31 | 31.03 | 415,365 |
| DRUMSTICKS | 38-39 | 41.52 | 124,960 |
| THIGHS | 37-38 | 42.03 | 91,960 |
| B/S THIGHS | 87-88 | 86.51 | 231,819 |
| WINGS (WHOLE) | 112-113 | 113.01 | 149,500 |
| BACKS AND NECKS (STRIPPED) | 10-12 | 11.99 | 42,400 |
| LIVERS (5 POUND TUBS) | 35-40 | 38.14 | 16,517 |
| GIZZARDS (HEARTS) | 60-65 | 68.23 | 22,654 |

INCLUDES NEW YORK CITY METROPOLITAN AREA, NORTHERN NEW JERSEY, MASSACHUSETTS, CONNECTICUT, RHODE ISLAND, AND PENNSYLVANIA (NORTHEAST OF HARRISBURG).

* TODAY'S NEGOTIATED SALES AS OF 11:30 A.M.

** WEIGHTED AVERAGE PRICE OF ALL GRADES AND BRANDS OF PRODUCT SHIPPED, OR TO BE SHIPPED AS OF 1:30 P.M.

ARKANSAS BROILER/FRYER PARTS F.O.B. DOCK OR EQUIVALENT, ICED-PACKED, PRICES SHOWN ARE DAY OF SHIPMENT (INCLUDES CURRENT AND PRIOR NEGOTIATIONS), TRUCKLOT AND LESS THAN TRUCKLOT VOLUME, CENTS PER POUND.

| ITEM | LBS (000) | RANGE | MAJORITY | WT. AVG |
|---------------------|-----------|---------------------|----------|---------|
| BREAST - B/S | 1,904 | 134.00-195.00 | 145-150 | 150.82 |
| TENDERLOINS | | NO TRADING REPORTED | | |
| BREAST - WITH RIBS | | NO TRADING REPORTED | | |
| FRONT HALVES | | NO TRADING REPORTED | | |
| LEGS | | NO TRADING REPORTED | | |
| LEG QUARTERS (BULK) | | NO TRADING REPORTED | | |
| LEG QUARTERS (4/10) | 2,350 | 29.00-30.00 | - | 29.30 |
| WINGS (WHOLE) | | NO TRADING REPORTED | | |
| DRUMSTICKS | | NO TRADING REPORTED | | |
| THIGHS | 1,100 | 25.00-34.00 | 33-34 | 32.40 |

**ESTIMATED SLAUGHTER OF BROILER-FRYERS (IN THOUSANDS)
FOR MONDAY 19-JAN-04**

| | ESTIMATE | ACTUAL | AVG WTS | ACTUAL | AVG WTS |
|--------------|------------|--------|---------|------------|---------|
| | 01/19 | 01/15 | 01/15 | 01/12 | 01/08 |
| ALA | 2,607 | 2,872 | 5.22 | 3,928 | 5.31 |
| ARK | 5,097 | 4,969 | 5.09 | 5,144 | 4.95 |
| DELMARVA (A) | 2,245 | 2,245 | 5.29 | 2,228 | 5.36 |
| LA-TENN | 1,640 | 2,023 | 5.03 | 1,959 | 4.66 |
| MISS (A) | 3,031 | 3,031 | 5.40 | 3,052 | 5.37 |
| NC | 1,506 | 2,416 | 6.25 | 2,393 | 6.33 |
| TEXAS | 2,237 | 2,508 | 4.98 | 2,453 | 5.16 |
| TOTAL | 15,096 | 20,064 | 5.30 | 21,157 | 5.30 |
| MON | 15,096 (B) | | | 21,157 (B) | |

(A) Not published to avoid disclosing individual operations.

(B) Weekly cumulative for states listed above. Broiler-fryer slaughter under federal inspection for 19-Jan 2004 is estimated to be 22,585 ,000 down 28.86 percent from a week ago and up 5.7 percent from a year ago. (Last week 31,748,000; last year 21,365,000)

SOUTHERN STATES BROILER/FRYER PARTS F.O.B. DOCK OR EQUIVALENT, ICED-PACKED, PRICES SHOWN ARE DAY OF SHIPMENT (INCLUDES CURRENT AND PRIOR NEGOTIATIONS), TRUCKLOT AND LESS THAN TRUCKLOT VOLUME, CENTS PER POUND.

| ITEM | POUNDS (000) | RANGE | MAJORITY | WTD AVG |
|---------------------|-----------------|-------------------|----------|------------|
| BREAST - B/S | 861 | 155.00-245.00 | 162-167 | 171.04 |
| TENDERLOINS | 218 | 155.00-217.00 | 155-158 | 162.09 |
| BREAST - LINE RUN | 103 | 91.00-97.00 | 93-95 | 92.55 |
| FRONT HALVES | | TOO FEW TO REPORT | | |
| LEGS | 103 | 41.00-52.00 | 41-42 | 42.00 |
| LEG QUARTERS (BULK) | 593 | 28.00-30.00 | 29-30 | 29.06 |
| LEG QUARTERS (4/10) | 1,098 | 32.00-35.00 | 32-33 | 32.38 |
| WINGS (WHOLE) | 295 | 110.00-120.00 | 110-114 | 113.90 |
| WINGS (CUT) | 581 | 127.00-138.00 | 130-135 | 132.12 |
| DRUMSTICKS | | TOO FEW TO REPORT | | |
| THIGHS | | TOO FEW TO REPORT | | |
| B/S THIGHS | 80 | 94.00-101.00 | - | 95.75 |

WHOLE BODY INDEX BASED ON SOUTHERN STATES PARTS TRADING FOR JANUARY 20, 2004 — F.O.B. DOCK.

| RANGE | TODAY'S AVERAGE |
|---------------|--------------------|
| 58.50 - 62.50 | 60.43 |

The Index is intended solely as an indicator of values for commodity-type product and does not represent industry's willingness to sell or ability to buy.

MIDWEST REGION BROILER/FRYER ICE-PACKED POOL TRUCKLOT AND TRUCKLOT QUANTITIES DELIVERED TO IL, IN, IA, KS, MI, MN MO, NE, ND, OH, SD, AND WI WEEK OF 19-JAN-2004 TO 23-JAN-2004, CENTS PER POUND

| | Price Per Lb. | Mostly |
|----------------------------|-----------------|-----------------|
| BREAST - B/S | 148.00 - 171.00 | 154.00 - 164.00 |
| BREAST - LINE RUN | 83.00 - 107.00 | 88.00 - 92.00 |
| LEGS | 39.00 - 48.00 | - |
| LEG QUARTERS (BULK) | 29.00 - 34.00 | 29.00 - 31.00 |
| DRUMSTICKS | 35.00 - 46.00 | - |
| THIGHS | 36.00 - 44.00 | - |
| WINGS (WHOLE) | 112.00 - 139.00 | 112.00 - 115.00 |
| BACKS AND NECKS (STRIPPED) | 12.00 - 20.00 | - |
| LIVERS | 30.00 - 39.00 | - |
| GIZZARDS (HEARTS) | 39.00 - 45.00 | - |

**SOUTHERN CALIFORNIA (L.A. AREA) PROCESSED POULTRY,
DELIVERED TO RESTAURANTS AND INSTITUTIONS**

| | RANGE |
|----------------------------------|---------|
| WOGS 2# & UP - WHOLE | 87 |
| WOGS 2# & UP - CUT UP 8&9 PIECES | 90-94 |
| FROZEN HENS 5# & UP | |
| FROZEN DUCKS | |
| FROZEN SQUABS | 585-600 |

**DELIVERED TO RETAILERS IN SOUTHERN CALIFORNIA
(L.A. AREA)**

| | |
|------------------|-------|
| FRESH FRYERS | 92-98 |
| ROASTERS 4# & UP | 81-95 |
| HENS UNDER 5# | |
| HENS OVER 5# | 60-63 |
| DUCKS | |
| RABBITS-WHOLE | |
| RABBITS-CUT UP | |

**SAN FRANCISCO PROCESSED POULTRY
DELIVERED TO RESTAURANTS AND INSTITUTIONS**

| | | |
|------------------|----------|---------|
| FRESH FRYERS | ICE PACK | 100-101 |
| | DRY PACK | 102-104 |
| ROASTERS 4# & UP | ICE PACK | 105 |
| | DRY PACK | 89-105 |
| HENS OVER 5# | ICE PACK | 91 |
| | DRY PACK | 89 |
| DUCKS | | 152-175 |

EASTERN REGION MECHANICALLY SEPARATED CHICKEN

F.O.B. SHIPPER DOCK OR EQUIVALENT, PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN THE EASTERN REGION IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND, DELIVERY WITHIN TWO WEEKS.

16-JAN-2004

CHICKEN — PRICES — VOLUME —
(Cents per Pound)

| FAT | CONTENT | FROZEN | FRESH | TOTAL | EXPORT |
|-------------|---------|--------|-------|-------|--------|
| 15% OR LESS | | | | | |
| RANGE | | - | - | - | - |
| WTD AVERAGE | | | | | |

CHICKEN WITH SKIN ADDED — PRICES — VOLUME —
(Cents per Pound)

| FAT | CONTENT | FROZEN | FRESH | TOTAL | EXPORT |
|-------------|-------------|--------|-------------|-----------|---------|
| 15% OR LESS | | | | | |
| RANGE | 13.50-16.00 | | 15.00 | 1,350,000 | 884,000 |
| WTD AVERAGE | 15.08 | | 15.00 | | |
| 15-20% | | | | | |
| RANGE | 12.50-19.00 | | 12.00-14.00 | 1,784,000 | 468,000 |
| WTD AVERAGE | 14.33 | | 12.89 | | |
| 20% OR MORE | | | | | |
| RANGE | - | | 12.00 | 200,000 | - |
| WTD AVERAGE | | | 12.00 | | |

* INCLUDES THE STATES of CT, DE, FL, GA, MA, MD, ME, NC, NH, NJ, NY, PA, RI, SC, VA, VT, WV

SOUTHEAST HEAVY LIVE HEN Majority prices were unchanged when compared to a week earlier. Demand was moderate for the generally adequate offerings. Processing schedules were normal. Supplies of finished product were clearing satisfactorily. The undertone was steady.

HEAVY TYPE HENS (7 POUNDS AND UP) *FINAL PRICE, CENTS PER LB., GENERALLY FOR SLAUGHTER THE WEEK OF 19-JAN-04.

| | RANGE | MAJORITY | WTD AVG |
|-----------------------|-------------------|----------|------------|
| AT FARM BUYER LOADING | 6-9.5 | 8.5-9 | 8.60 |
| FOB PLANT | TOO FEW TO REPORT | | |

*WEIGHTS UNDER 7 LBS. SUBJECT TO DISCOUNT.

CENTRAL REGION MECHANICALLY SEPARATED CHICKEN

F.O.B. SHIPPER DOCK OR EQUIVALENT, PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN THE CENTRAL REGION IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND, DELIVERY WITHIN TWO WEEKS.

16-JAN-2004

CHICKEN — PRICES — VOLUME —
(Cents per Pound)

| FAT | CONTENT | FROZEN | FRESH | TOTAL | EXPORT |
|-------------|---------|--------|-------|-------|--------|
| 15% OR LESS | | | | | |
| RANGE | | - | - | - | - |
| WTD AVERAGE | | | | | |

CHICKEN, WITH SKIN ADDED — PRICES — VOLUME —
(Cents per Pound)

| FAT | CONTENT | FROZEN | FRESH | TOTAL | EXPORT |
|-------------|-------------|--------|-------------|-----------|---------|
| 15% OR LESS | | | | | |
| RANGE | 15.50-18.00 | | 13.00-16.00 | 284,000 | - |
| WTD AVERAGE | 16.75 | | 14.20 | | |
| 15-20% | | | | | |
| RANGE | 13.50-17.00 | | 10.00-14.00 | 1,833,600 | 224,400 |
| WTD AVERAGE | 15.49 | | 11.16 | | |
| 20% OR MORE | | | | | |
| RANGE | - | | - | - | - |
| WTD AVERAGE | | | | | |

* INCLUDES THE STATES of AL, AR, IA, IL, IN, KS, KY, LA, MI, MN, MO, MS, ND, NE, OK, OH, SD, TN, TX, WI

SOUTH CENTRAL HEAVY LIVE HEN Trading levels were slightly higher compared to the past week. Demand was moderate for adequate supplies of spent hens. Schedules were reduced. Finished sales were moderate. Trade sentiment was at least steady.

HEAVY TYPE HENS (7 POUNDS AND UP) *
FINAL PRICE, CENTS PER LB., GENERALLY FOR SLAUGHTER THE WEEK OF 19-JAN-04

| | RANGE | MAJORITY | WTD AVG |
|-----------------------|-----------|-----------|------------|
| AT FARM BUYER LOADING | 6.5-11.75 | 8.75-9.25 | 9.13 |

*WEIGHTS UNDER 7 LBS. SUBJECT TO DISCOUNT.

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